



**U.S. Department of Justice  
U.S. Attorney's Office  
Western District of Texas**

**Johnny Sutton, U.S. Attorney**

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November 6, 2003

**JOSE BETANCOURT, JR., PLEADS GUILTY TO SECURITIES FRAUD**

United States Attorney **Johnny Sutton** announced today that 44-year-old Jose Betancourt, Jr., pled guilty to one count of securities fraud. Betancourt was indicted by a federal grand jury in San Antonio, Texas, on February 20, 2002. The indictment was sealed and an international provisional arrest warrant was issued. Betancourt was arrested in Spain in May, 2002, where he remained in jail until his extradition to the Western District of Texas in September, 2003.

According to the factual basis filed in this case, Betancourt admitted that during a meeting in February 2000, he approached his physician and several of the physician's family members and acquaintances with an investment proposal. Betancourt stated that he was a personal friend and financial advisor to Saudi Arabian Prince Alaweed bin Talal bin Abdulaziz Al Saud. Betancourt told these potential investors that he was working for Prince Alaweed and offered them the opportunity to purchase shares of Planet Hollywood, a publicly traded company, that Betancourt said was coming out of bankruptcy and was controlled by Prince Alaweed. Betancourt carried out his scheme by telling the investors that the Prince would sell shares to them for \$0.75 per share and that within two to three weeks, the stock would go public at \$15.00 per share. Betancourt further told the investors that the stock was preferred stock and there was no way that the investors could lose their money. In all, Betancourt pocketed over \$150,000 collected from the unsuspecting individuals who believed they were to purchasing Planet Hollywood shares.

As a result, Betancourt faces up to ten years in federal prison and a maximum \$1,000,000 fine. Betancourt remains in federal custody pending sentencing. No sentencing date has been set.

The case was investigated by the Federal Bureau of Investigation and the Internal Revenue Service - Criminal Investigation. This case is being prosecuted by Assistant United States Attorney Charles Jenkins.

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